

CITIZENS FINANCIAL CONDITION REPORT

MARICOPA COUNTY
FISCAL YEAR 2010



Maricopa County Internal Audit

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Financial Highlights

Our Fiscal Year (FY) 2010 Citizens Financial Condition Report highlights the financial strength of the County's General Fund within the context of severe financial challenges currently facing the national and local economies.

Report highlights include:

- FY 2010 total revenues fell below FY 2006 levels.
- Conservative fiscal policies have guided spending and ensured expenditures did not exceed revenues.
- The General Fund unreserved fund balance remained healthy.
- Key County financial indicators compared very favorably to national benchmarks.
- County net assets, an indicator of long term financial health, continued to increase.
- Funding for the County's primary employee retirement plan decreased slightly.

About the Financial Condition Report

The FY 2010 edition of the Maricopa County Citizens Financial Condition Report is based primarily on the County's FY 2010 Comprehensive Annual Financial Report issued December 2010 by the Department of Finance.

This work provides information, trends, and comparisons on County financial topics including:

- Revenues and Expenditures
- Cash and Investments
- Long Term Debt and Liquidity



MESSAGE FROM THE COUNTY AUDITOR

January 28, 2011

Andrew Kunasek, Chairman, Board of Supervisors
Fulton Brock, Supervisor, District I
Don Stapley, Supervisor, District II
Max Wilson, Supervisor, District IV
Mary Rose Wilcox, Supervisor, District V



We have completed the Fiscal Year (FY) 2010 edition of the Maricopa County Financial Condition Report based primarily on the County's FY 2010 Comprehensive Annual Financial Report issued in December 2010. This work, which is part of our Board-approved audit plan, provides important information on current and historical County financial trends.

For FY 2010, we again highlight the financial strength of the County's General Fund. While national and local economies encountered severe financial challenges, the County (due to conservative fiscal policies) acted to maintain expenditures below falling revenues. The General Fund unreserved fund balance continued to grow. Expenditures per capita and long-term debt levels decreased. Key financial indicators compare very favorably to national benchmarks.

In addition, we provide updated information on the County's primary pension plan. Public pension funds are experiencing severe fiscal challenges due to recent investment losses, high benefit payments, actuarial methods used in longevity projections, and insufficient employee and employer contribution rates.

We would like to commend the Board of Supervisors and County leadership for the conservative fiscal policies that have led to the strong financial condition highlighted throughout this report.

Sincerely,

A handwritten signature of Ross L. Tate in cursive script.

Ross L. Tate
County Auditor

The **County Auditor** reports directly to the Maricopa County Board of Supervisors, with an advisory reporting relationship to the Citizen's Audit Advisory Committee.

The **Mission of the Internal Audit Department** is to provide objective information on the County's system of internal controls to the Board of Supervisors so they can make informed decision and protect the interests of the County Citizens

Project Team Members

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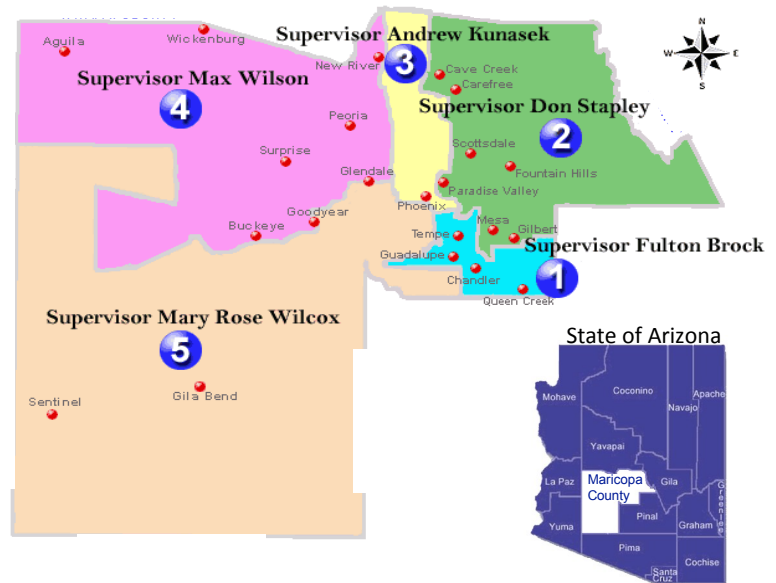


MARICOPA COUNTY BASICS

Maricopa County

Maricopa County is located in the south-central area of the State of Arizona. Approximately 60% of the state's total population resides within the County, which includes the cities of Phoenix, Mesa, Tempe, Glendale, and Scottsdale.

Maricopa County operates under a five member elected Board of Supervisors representing five districts divided geographically and by population to include a mix of urban and rural constituencies.



Board of Supervisors



Fulton Brock
District

1



Don Stapley
District

2



Andrew Kunasek
District

3



Max Wilson
District

4



Mary Rose Wilcox
District

5

Financial (Source: Maricopa County FY10 CAFR)

As of June 30, 2010, the elected County Treasurer held \$3.7 billion in cash and investments on behalf of the County, special districts, and school districts.

The County received \$1.8 billion in revenue during FY 2010.

The unreserved General Fund balance exceeded \$489 million in FY 2010, up \$79 million from the previous year.

History (Source: Maricopa County website)

Established in 1871, Maricopa was the fifth county to be formed in what was then the Arizona Territory.

Population (Source: Maricopa County CAFR & U.S. Census Bureau)

Maricopa County is home to 4 million people, the 4th largest population in the nation after Los Angeles County (CA), Cook County (Chicago, IL), and Harris County (Houston, TX).

The County's population grew by 950,964 from July 2000 to July 2009, the biggest population increase in the nation (2010 data unavailable).

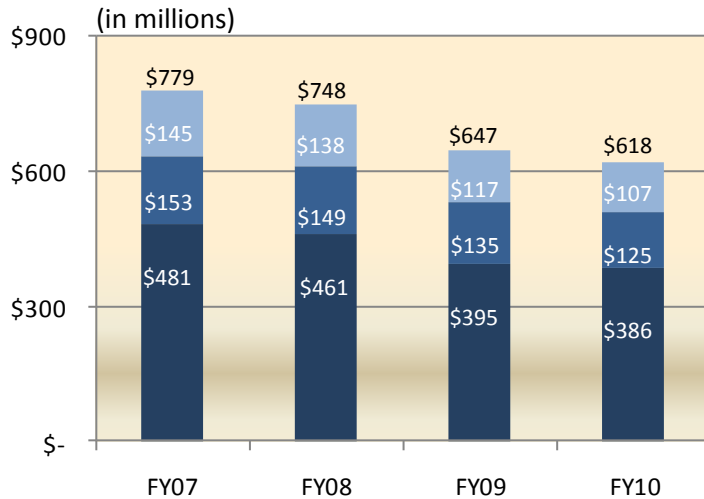
Size (Source: Maricopa County FY10 CAFR & FY10 Adopted Budget)

At 9,224 square miles, Maricopa County is larger than several states, including Connecticut, Delaware, Hawaii, Massachusetts, New Hampshire, New Jersey, Rhode Island, as well as the District of Columbia.



ECONOMIC OUTLOOK

Revenue Sources Continued to Decrease



Since FY 2007, three of the four major County revenue sources (state shared sales, vehicle license, and jail excise taxes) have experienced significant declines. Shown below are dollar and percentage declines since FY 2007.

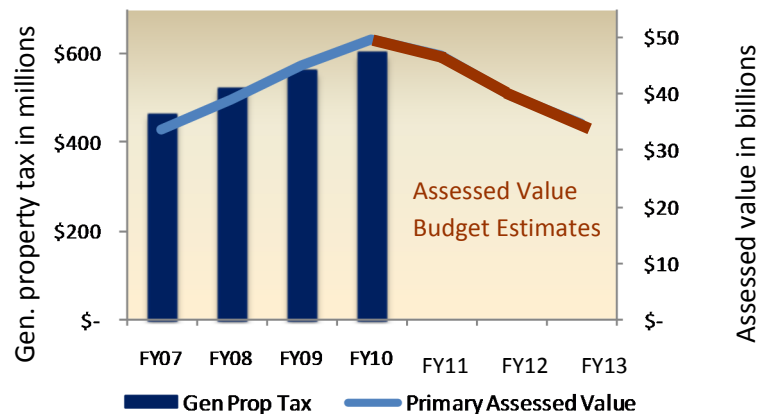
Jail Excise:	\$ 38 million	26%
Vehicle License:	\$ 29 million	19%
State Shared Sales:	\$ 94 million	20%
Total decline:	\$161 million	

SOURCE: "Tax Revenues by Source" (Statistical Section Maricopa County CAFRs)

Property tax revenues continued to increase during the current recession, offsetting the other revenue declines shown above. However, there is a two year lag between the time property values are assessed and when the County Assessor's valuations are used to set the tax rate.

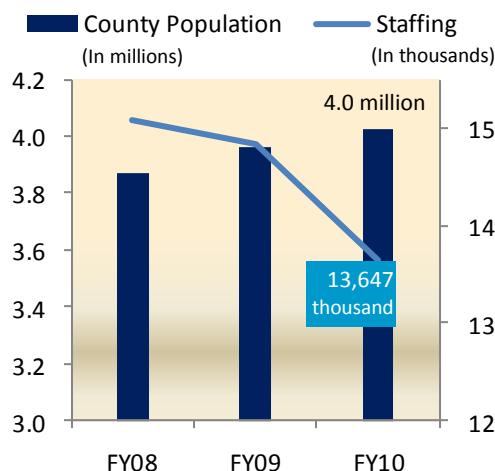
With the current decline in Maricopa County housing values, property tax revenues could also see declines starting in FY 2011 if tax rates are not increased.

Property Tax Revenues May Decline



SOURCE: "Tax Revenues by Source" (Statistical Section Maricopa County CAFRs) & OMB Budget Documents

Staffing Levels Decrease

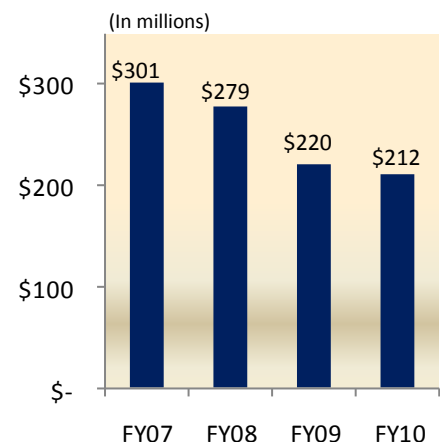


SOURCE: Maricopa County CAFRs & U.S. Census Bureau Reports

Conservative budget strategies kept the County financially healthy despite Arizona's economic turmoil. To offset revenue declines, the County:

- Maintained a hiring freeze and reduced staffing (left)
- Canceled or delayed most capital improvements (right)

Capital Outlay Slowed

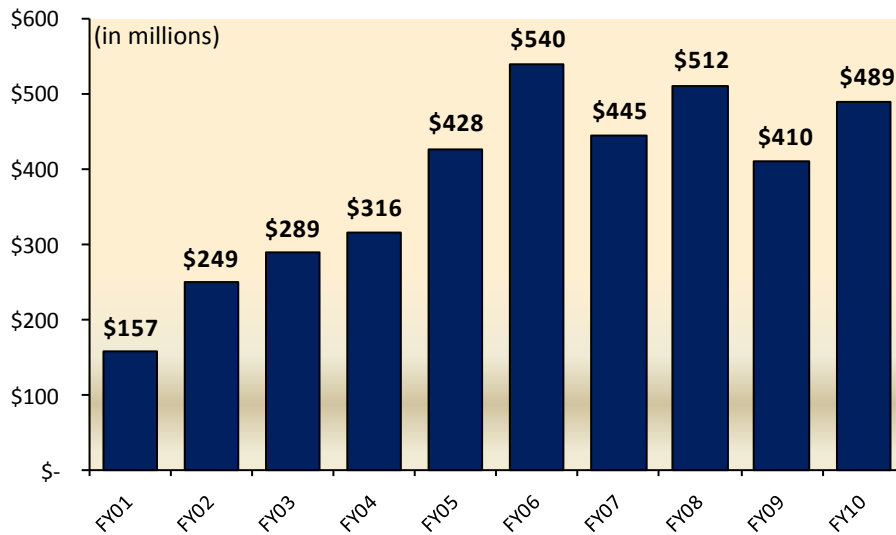


SOURCE: Maricopa County CAFRs



GENERAL FUND KEY INDICATORS

Unreserved General Fund Balance Increased



SOURCE: "Governmental Funds Balance Sheet" (Maricopa County CAFRs)

The Unreserved General Fund Balance

The Unreserved General Fund Balance represents funds available to meet current and future financial needs. A significant portion is designated for various purposes including covering the self-insured benefit program and smoothing fluctuations in tax collection cycles.

During FY 2010 the unreserved fund balance increased nearly \$79 million (19%). The increase is due to general fund revenues exceeding expenditures.

Expenditure reductions can be attributed to budget balancing initiatives and receiving \$78 million in Federal Medical Assistance Percentages stimulus monies that reduced some health, welfare, and sanitation expenses. Conservative budget strategies and revenue estimates have resulted in a healthy fund balance. However, weaknesses in the local economy may reduce the fund balance if revenues continue to decrease.

General Fund Balance as a Percent of Revenues

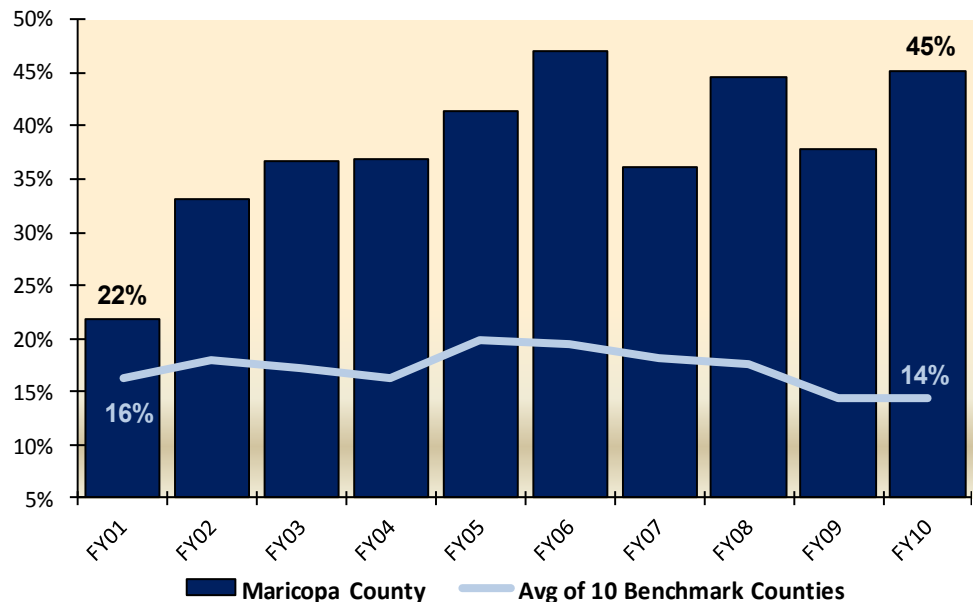
For over ten years, Maricopa County's General Fund has maintained a healthy fund balance in relation to revenues, and surpassed the national benchmark average (see page 16 for a list of benchmark counties).

This graph reflects the availability of financial reserves to meet unforeseen needs.

Credit rating agencies review the health of a government's unreserved fund balance when assessing credit worthiness. Maricopa County's high percentage of unreserved General Fund balance, when compared to revenues, could lower the County's cost of borrowing money.

The General Fund is the primary operating fund used to account for all financial resources not required to be accounted for in other funds.

Fund Balance Compares Well to Benchmarks

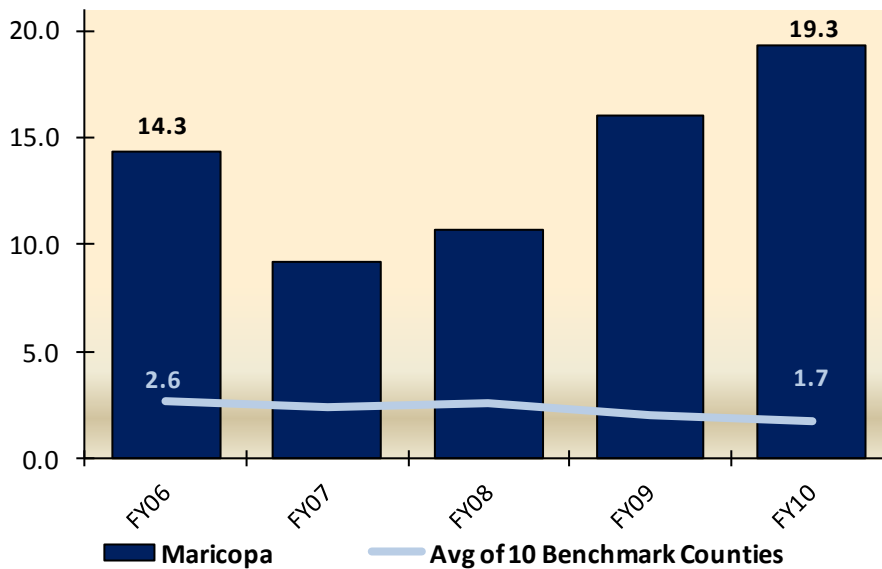


SOURCE: "Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds" (Maricopa & Benchmark County CAFRs)



LIQUIDITY & LONG TERM DEBT

Liquidity Continued to Increase



General Fund Liquidity Ratio

The liquidity ratio is a measure of the County's ability to pay current obligations, comparing assets to liabilities.

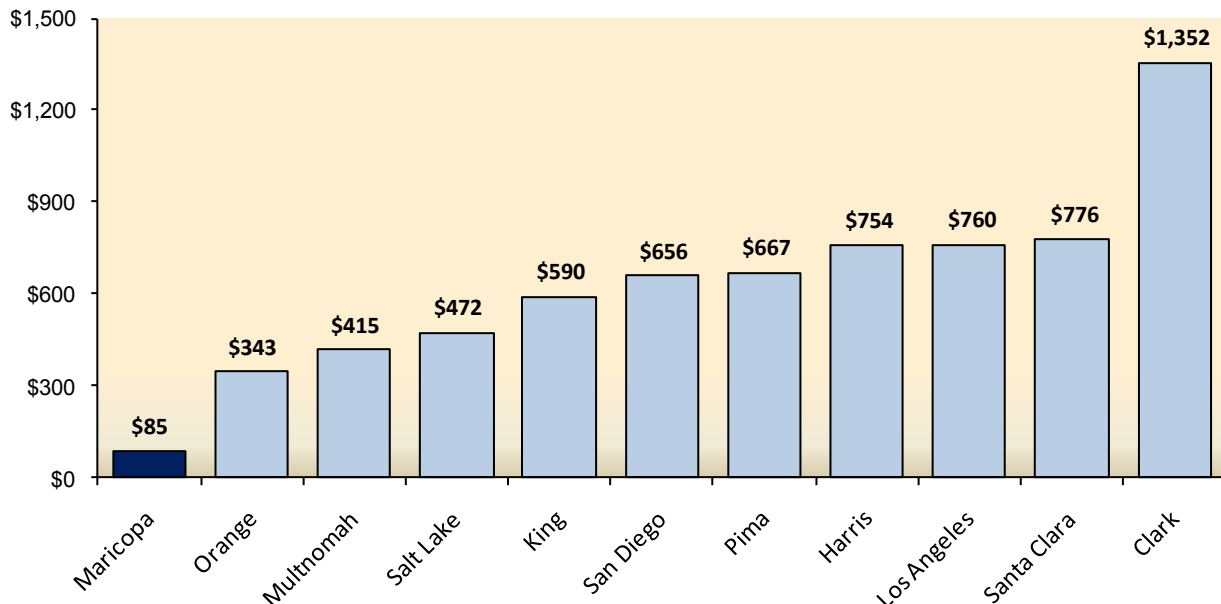
Maricopa County continues to significantly outperform the national benchmark average with a liquidity ratio of almost 19-to-1. This means that \$19.30 is available in cash for every \$1 in current liabilities.

SOURCE: Audit Analysis of "Governmental Funds Balance Sheet" (Maricopa & Benchmark CAFRs)

Long Term Debt

Maricopa County has extremely low debt levels compared to the national benchmark average. The County's low debt is the result of a conservative "pay-as-you-go" policy. In FY 2010, the County's long-term debt was less than \$90 per person.

Long Term Debt Per Person Is Low Compared to Benchmarks



SOURCE: Maricopa County LTD for Governmental Activities "Note 13— Long Term Liabilities," Benchmark CAFRs & Internal Audit Analysis



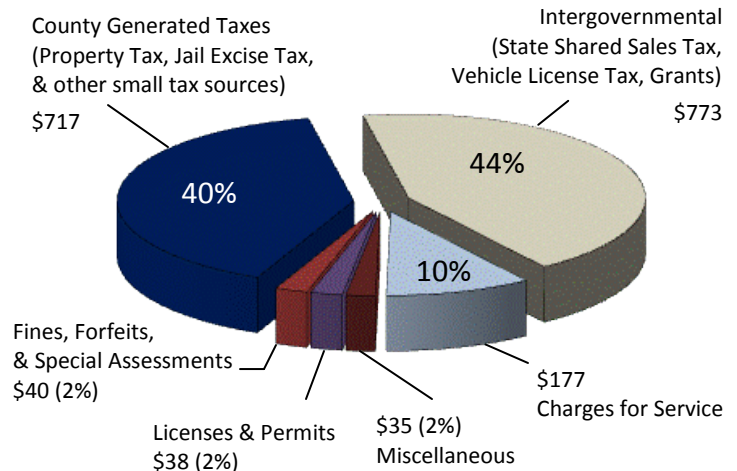
REVENUES & EXPENDITURES

Sources of County Funds (in millions)

The majority of the County's Governmental Fund revenues come from intergovernmental sources (44%) and taxes (40%).

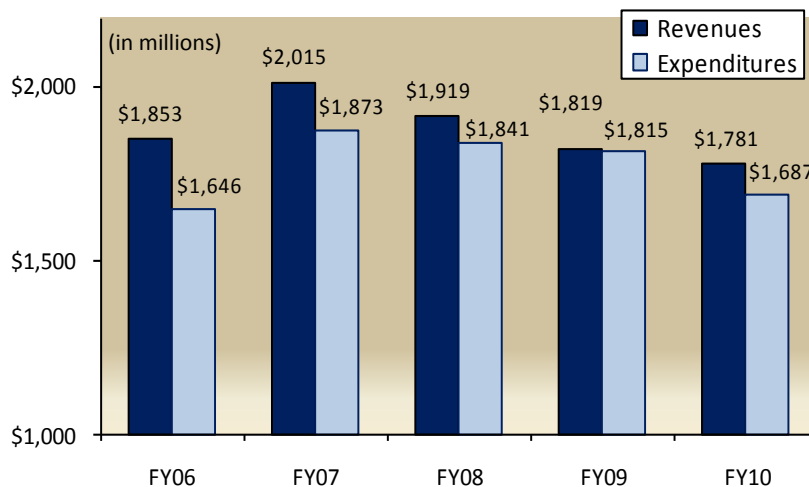
Intergovernmental revenues are funds received from federal, state, and other local government sources in the form of shared revenues, grants, and payments in lieu of taxes.

County-generated tax revenues such as property, jail excise, and other small tax sources, accounted for 40% of the County's total governmental revenue.



SOURCE: "Statement of Revenues, Expenditures, & Changes in Fund Balances Governmental Funds" (Maricopa County FY10 CAFR)

Expenditures Cut to Match Revenues



SOURCE: "Statement of Revenues, Expenditures, & Changes in Fund Balances Governmental Funds" (Maricopa County CAFRs)

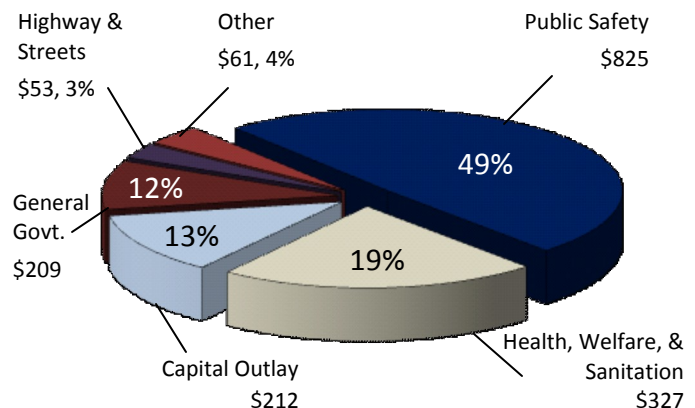
In FY 2010, Governmental revenues decreased by \$39 million to \$1.78 billion, dropping below FY 2006 amounts.

This was due to a decrease in jail excise taxes of \$10 million, reduced distributions from the State of Arizona for vehicle license and shared sales taxes of \$10 million and \$9 million, and decreases in various other revenue sources. However, additional property taxes of \$40 million helped offset some revenue decreases.

To match revenue decreases, the County reduced expenditures by more than \$128 million (more detail on page 8).

Uses of County Funds (in millions)

Nearly 70% of FY 2010 Governmental Fund expenditures were for public safety (49%) and health and welfare (19%), with the remaining amount for general government (12%), capital outlay (13%), highways (3%), and other uses (4%). General government consists of a broad range of legally mandated services including elections, property assessment, revenue and expenditure accountability, and legal representation for the County.

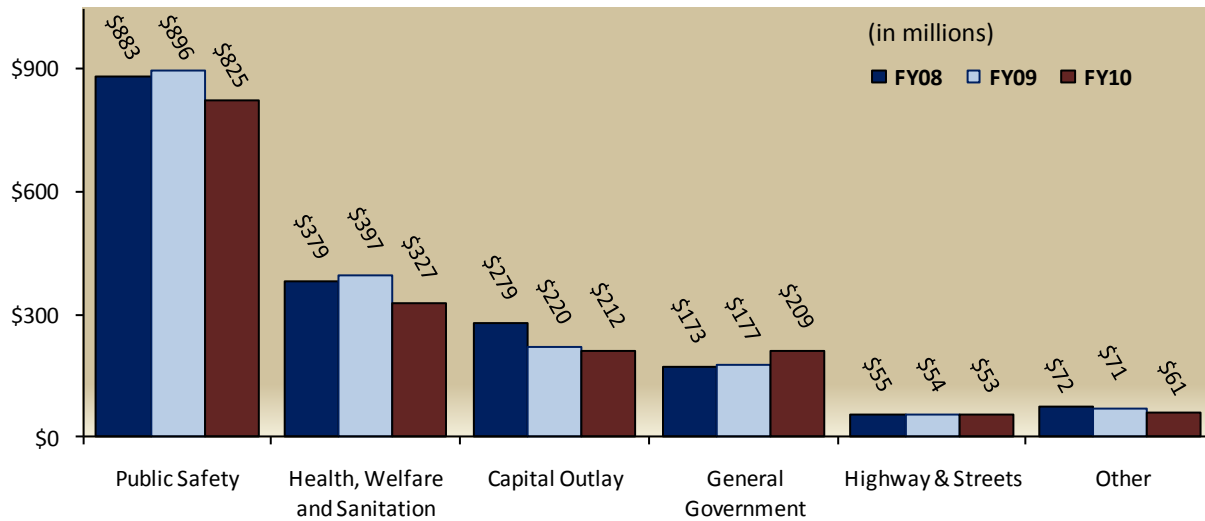


SOURCE: "Statement of Revenues, Expenditures, & Changes in Fund Balances Governmental Funds" (Maricopa County FY10 CAFR)



REVENUE & EXPENDITURES

Most County Expenditures Decreased (FY 2008—FY 2010)

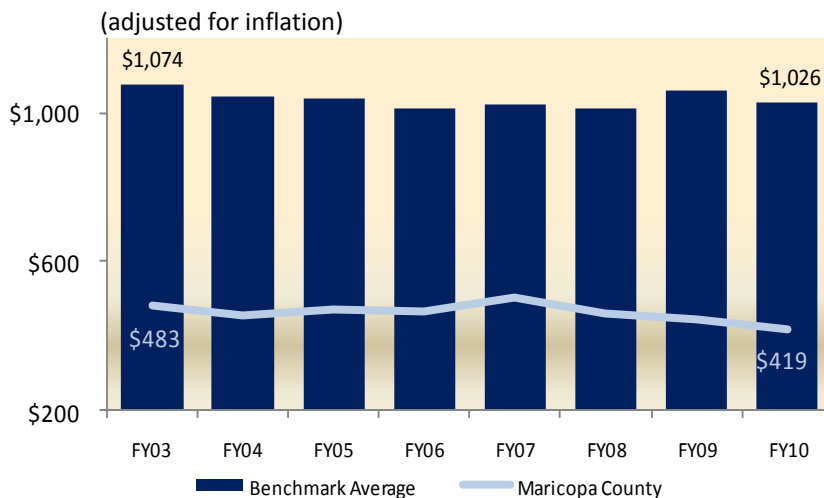


SOURCE: "Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds" (Maricopa County CAFRs)

Changes in Expenditures by Category

Since FY 2008, Governmental Fund expenditures decreased by \$154 million (8%). Significant decreases occurred in capital outlay (decreasing \$67 million or 24%), and health, welfare, and sanitation (decreasing \$52 million or 14%). The capital outlay decreases were due to the completion of several capital projects and to a capital purchasing freeze. Decreases in health, welfare, and sanitation resulted from receiving \$78.1 million in Federal Medical Assistance Percentages (FMAP) stimulus funds which reduced the County's contributions to Arizona's Long Term Care System (ALTCS) and Medicaid program (AHCCCS). The future of FMAP stimulus funds is uncertain which may cause County health, welfare, and sanitation expenditures to increase. Increases in general government are due to \$9 million in American Recovery and Reinvestment Act related expenditures, \$19 million for anticipated legal claims, and a \$19 million payment to help the State as part of its 2010 budget- balancing initiatives.

Expenditures Per Person Decreased



SOURCE: Audit Analysis of "Changes in Fund Balances, Governmental Funds" & "Population statistics" (Statistical Section Maricopa County & Benchmark CAFRs)

Expenditures Per Person

Similar to the national benchmarks, Maricopa County governmental expenditures per person remained consistent over the past eight years.

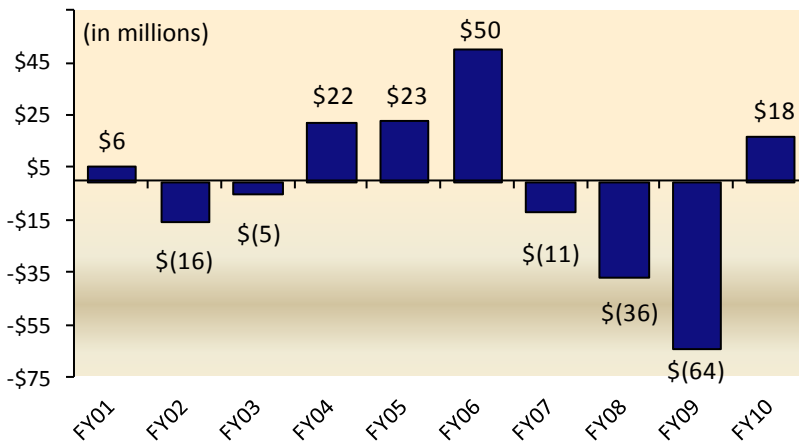
For FY 2010, Maricopa County's \$419 expenditures per person were \$44 dollars, or 9%, below the County's eight-year average of \$463 per person.

Governmental Funds are comprised of the general, special revenue (legally restricted for specified purposes), debt service and capital project funds.



REVENUES—BUDGET TO ACTUAL

Sales Taxes Exceed Budget Estimates



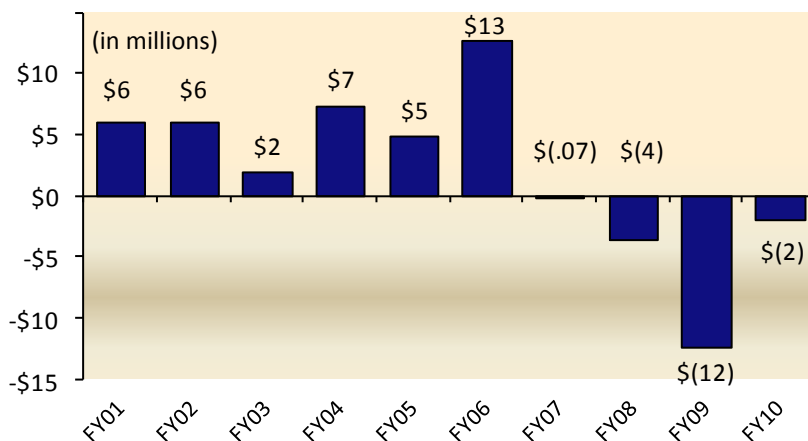
SOURCE: "Tax Revenues by Source" (Statistical Section Maricopa County CAFRs) & Adopted Budgets

State Share Sales Tax—Budget Variance

Sales tax revenues can be difficult to predict, as they are subject to volatile economic forces.

FY 2010 actual sales tax revenues exceeded budgeted amounts by nearly \$18 million. This was most likely due to a conservative budget projection for a 19.7% decrease. The average increase over the previous ten years was 3.9%.

Vehicle License Taxes Fall Short of Budget



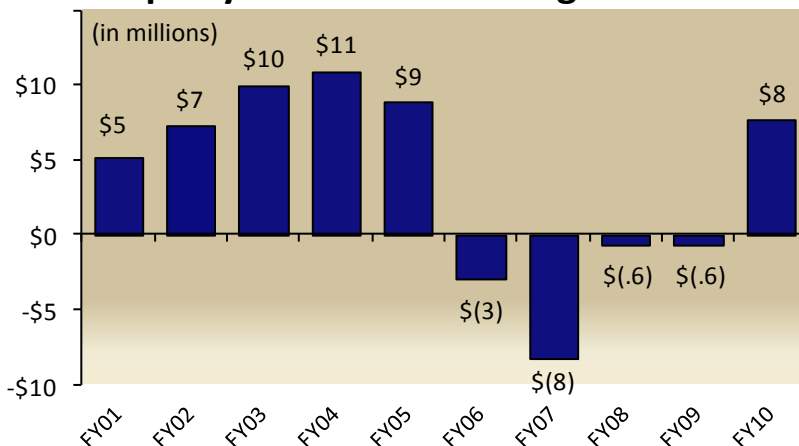
SOURCE: "Tax Revenues by Source" (Statistical Section Maricopa County CAFRs) & Adopted Budgets

Vehicle License Tax—Budget Variance

Vehicle License Tax (VLT) revenues can be difficult to predict since citizens can pay the tax for one or two years. VLT revenues have suffered as a result of the economic downturn.

In FY 2010, actual VLT revenues fell short of the original budget by nearly \$2 million, or 1.6%, despite the conservative projection of a 14% decrease from FY 2009 totals. The average increase over the previous ten years was 5.1%.

Property Taxes Exceed Budget Estimates



SOURCE: "Tax Revenues by Source" (Statistical Section Maricopa County CAFRs) & Adopted Budgets

Property Tax—Budget Variance

Property tax revenues are typically more predictable, and are therefore easier to budget, than state-shared sales and vehicle license taxes.

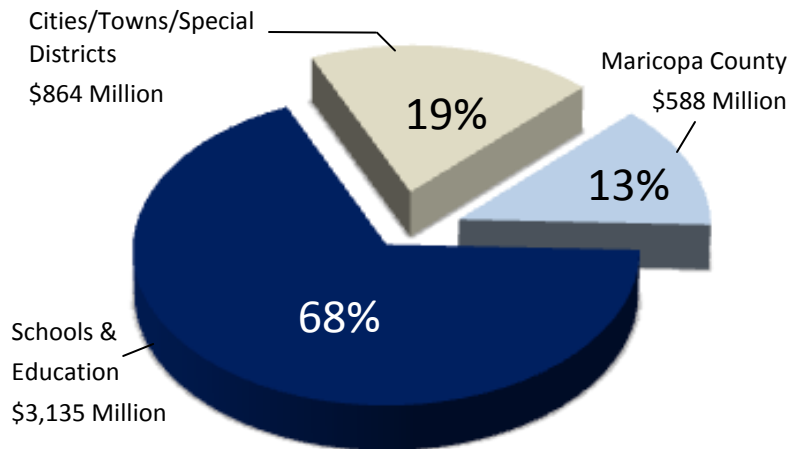
In FY 2010, property tax collections fell short of budget by nearly \$1 million. However, revenues from tax penalties and interest exceeded budget by more than \$8 million, resulting in total property tax revenues exceeding budget.



PROPERTY TAXES

Property taxes are major source of revenue for local governments in Maricopa County. The total FY 2010 allocation of property taxes for Maricopa County, school districts, cities, and towns was \$4.6 billion.

Use of Property Tax Dollars



SOURCE: Department of Finance Property Tax Levy Reports

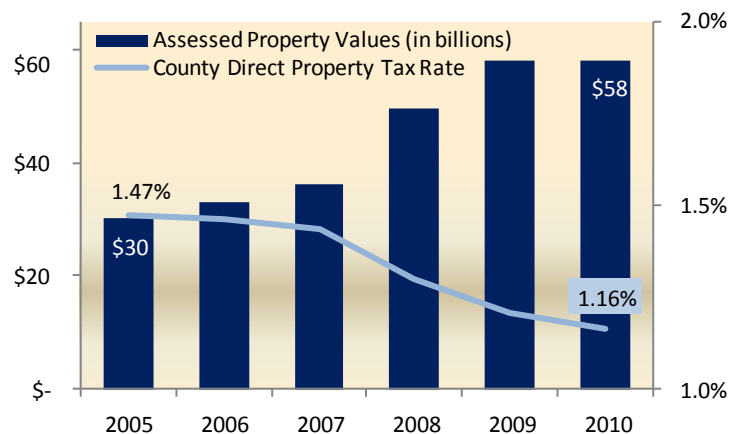


See below for how the typical Maricopa County property tax dollar is spent:

Schools	\$ 0.68
Cities and Towns	\$ 0.14
County	\$ 0.13
Special Districts	\$ 0.05
Total	\$ 1.00

Tax Rates Reduced as Assessed Values Rise

The Maricopa County Board of Supervisors has lowered property tax rates every year since FY 2004. Even with lower tax rates, increases in assessed property values resulted in property taxes remaining a reliable source of revenue during the economic downturn. However, as shown on page four, assessed values are projected to decline, placing downward pressure on future property tax revenues.

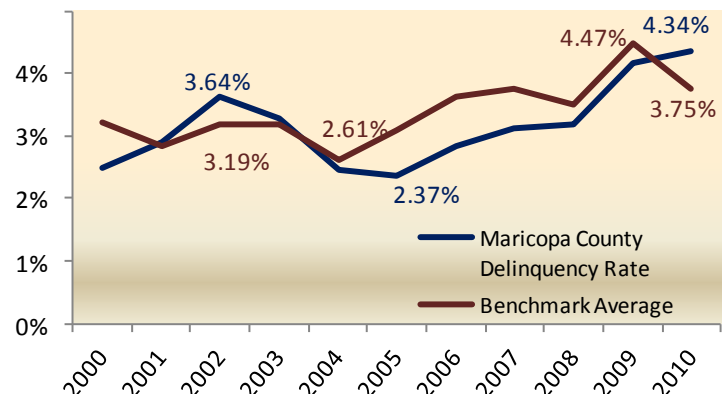


SOURCE: "Assessed Value & Estimated Market Value of Taxable Property" (Statistical Section Maricopa County CAFRs)

Property Tax Delinquency Rate Increased

Unpaid property taxes for Maricopa County reached their highest level since 1995 when the delinquency rate was 4.6%. Maricopa County's FY 2010 delinquency rate of 4.34% surpassed the benchmark average of 3.75%.

Uncollected property taxes negatively impacted the County's operating revenues; over \$25 million in levied property taxes were not collected in FY 2010.

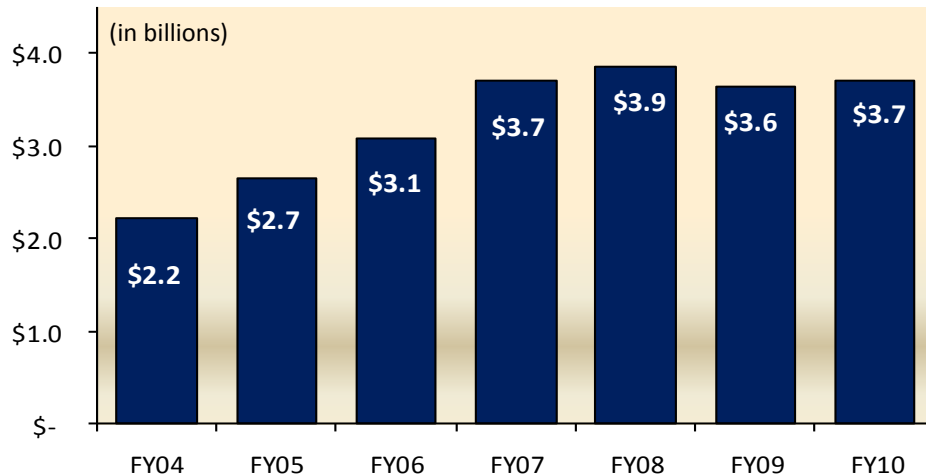


SOURCE: "Property Tax Levies and Collections" (Statistical Section Maricopa County & Benchmark CAFRs)



CASH & INVESTMENTS

Cash and Investments Increased Slightly

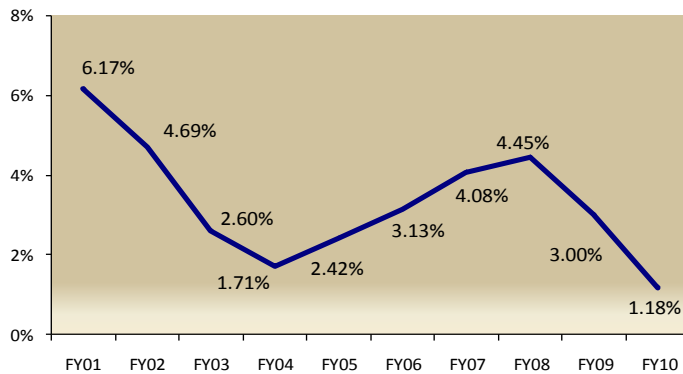


SOURCE: "Note 6—Deposit and Investments" (Maricopa County CAFRs)

Cash and Investments

The County Treasurer pools deposits for the County, school districts, and special districts. Total cash and investments held by the Treasurer increased slightly to \$3.7 billion in FY 2010.

Investment Returns Continued to Fall



SOURCE: Maricopa County Treasurer

Investment Strategy and Returns

Cash is invested under a strategy giving highest priority to:

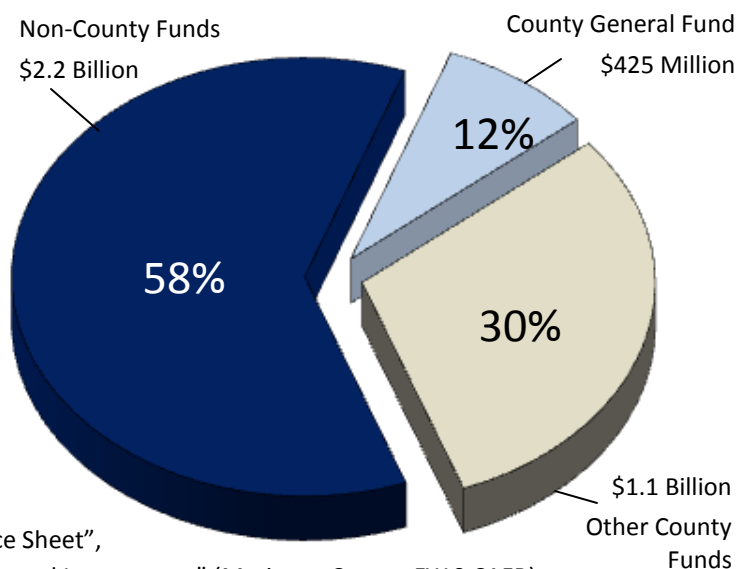
- Safety of principal
- Sufficient liquidity to meet County needs
- Return on investment

Investment returns fell to 1.18% in FY 2010 due to poor bond market earnings. Bonds are one of the County's primary investments.

Fund Ownership

Non-County Funds: Arizona statutes require community colleges, school districts, and other local governments to deposit certain public monies with the County Treasurer. These deposits represent 58% of the total funds held with the Treasurer.

County Funds: \$1.5 billion, or 42% of the \$3.7 billion held by the Treasurer as of June 30, 2010, were County funds.



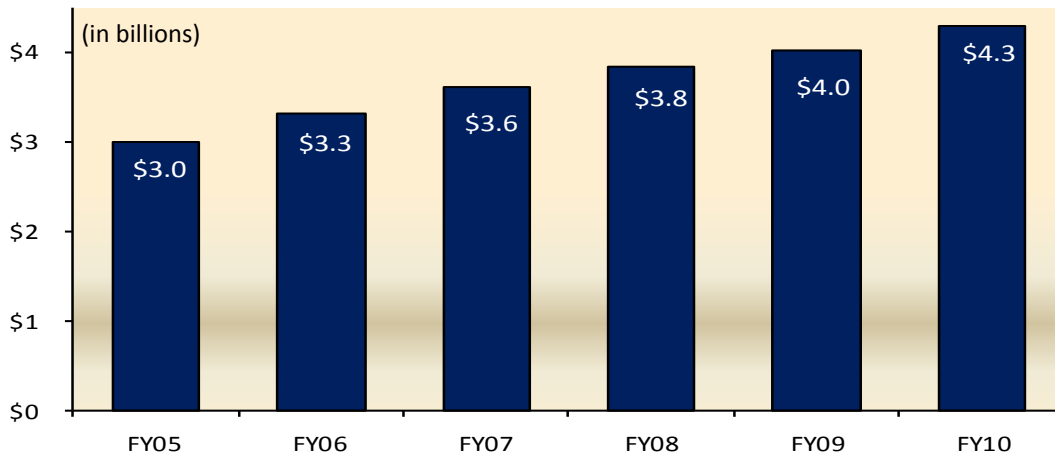
SOURCE: "Balance Sheet",
"Note 6—Deposit and Investments" (Maricopa County FY10 CAFR),
& Internal Audit Analysis



NET ASSETS

As of June 30 2010, the County's assets exceeded liabilities by more than \$4.3 billion (net assets). The increase in total net assets over time indicates the County's financial condition improved. Total net assets increased 43% from FY 2005 to FY 2010.

Total Net Assets Continued to Increase



SOURCE: "Statement of Net Assets" (Maricopa County CAFRs)

Net Asset Composition

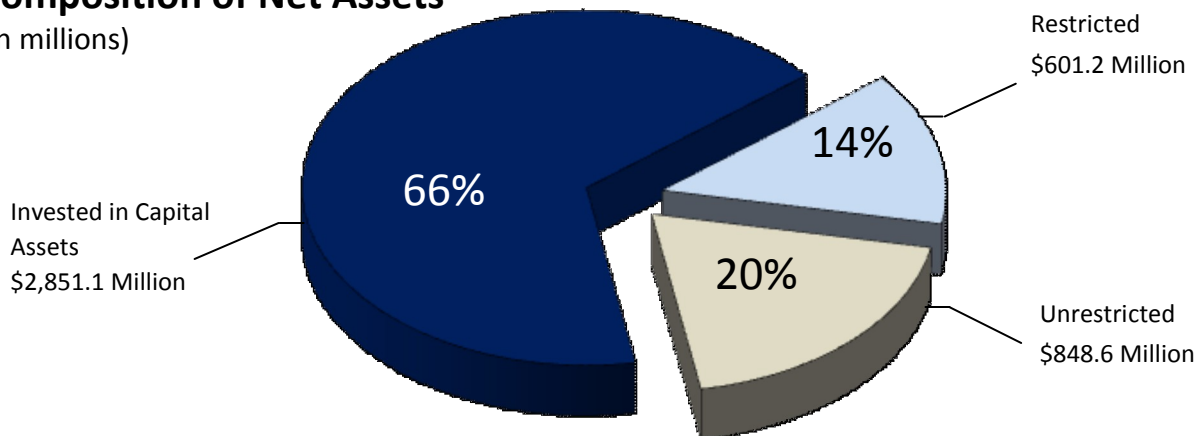
Net assets have three components:

- (1) Investments in capital assets, net of related debt (such as land, building, machinery, and equipment)
- (2) Restricted net assets (assets that are subject to external restrictions on how they may be used)
- (3) Unrestricted net assets (assets not subject to external restrictions on how they may be used)

Over 66% of County FY 2010 net assets are invested in capital assets (net of related debt), 14% are restricted (primarily for public safety and highways and streets functions), and 20% are unrestricted (can be used to meet the County's ongoing obligations).

Composition of Net Assets

(in millions)



SOURCE: "Statement of Net Assets" (Maricopa County FY10 CAFR)



RETIREMENT PLANS

The County contributes to four retirement plans, as noted in the FY 2010 CAFR (page 64). Because 69% of County employees (8,707 out of 12,655) contribute to the Arizona State Retirement System (ASRS), these pages focus on ASRS.

Funded Status Defined

The most recognized measure of a retirement plan's health is its funding ratio, derived by dividing the actuarial value of plan net assets by the present value of accrued liabilities (projected future retirement payments). A pension plan whose assets equal its liabilities is 100% funded, or fully funded. A plan with assets that are less than its liabilities is considered to be underfunded.

The dollar difference between plan assets and accrued liabilities is the unfunded actuarial accrued liability (UAAL), which is a common measure of a pension plan's financial condition. Methods used to value assets and liabilities can be complex and vary from plan to plan, making direct comparisons among plans difficult. This report shows the funding ratios based on the actuarial value of assets. The amount of accrued liabilities depends on the assumptions and cost method. Actual calculations are very technical in nature and are outside the scope of this report. It is noted, however, that ASRS discounts future benefits at 8.0% per year.

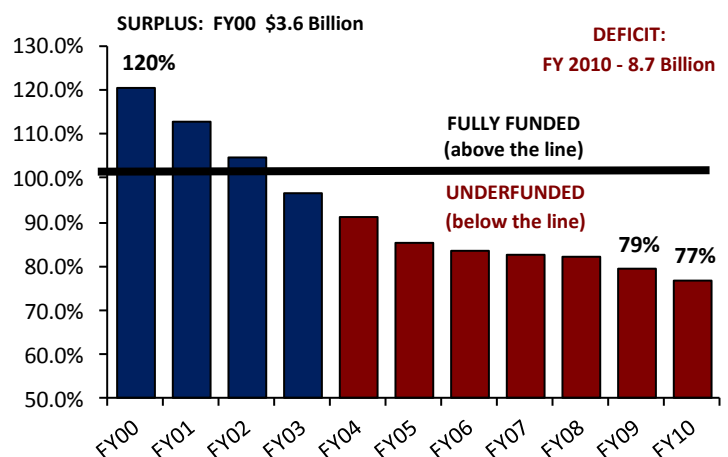
Retirement Funding Status

Based on FY 2010 ASRS actuary reports, the UAAL grew over \$1.4 billion, or 18.3%, to \$8.7 billion, as of June 30, 2010.

This increase was largely due to delayed recognition of losses that occurred in FYs 2002, 2003, 2008 and 2009. As a result, the funded status of the total plan decreased from 79.3% in FY 2009 to 76.7% in FY 2010.

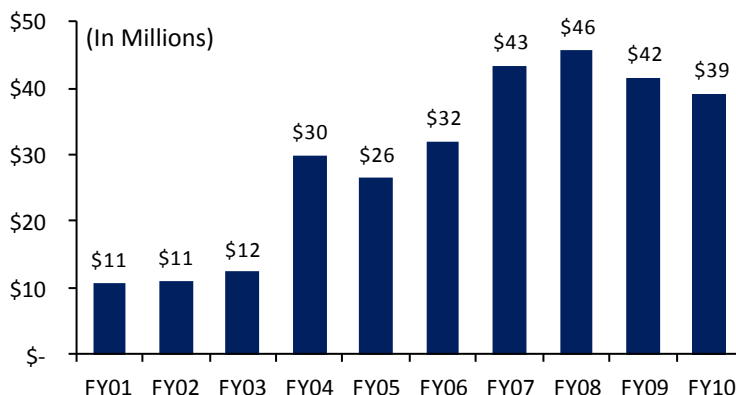
According to a 2008 U.S. Government Accountability Office report on government pension plans, many experts believe an 80% funding ratio is sufficient.

Retirement Funding Ratio Weakens



SOURCE: ASRS CAFRs and annual actuarial reports

Retirement Contributions to ASRS Have Decreased



SOURCE: ASRS CAFRs

County Contributions

County pension plan contributions to ASRS decreased 5.8% from FY 2009 to FY 2010.

The decrease is attributed to fewer plan participants. From FY 2009 to FY 2010, the number of participants decreased 3.1% from 8,983 to 8,707 due to a FY 2009 reduction in force and hiring freeze.



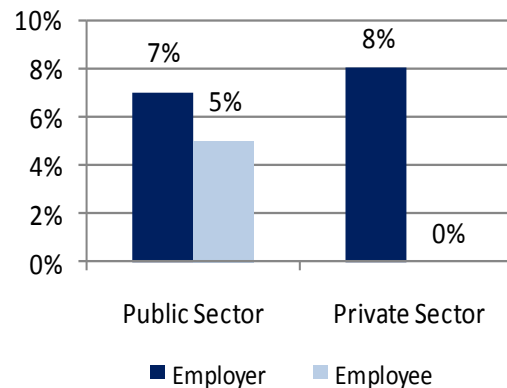
RETIREMENT PLANS

Employee Contributions

According to the Government Accountability Office, government employees generally make contributions to fund pension benefits, unlike private sector employees.

The Center for Retirement Research at Boston College said, unlike “the private sector, public sector defined benefit plans are not financed entirely by the employer. Public plans tend to rely more heavily on employee contributions, invest slightly more aggressively, and be about as well funded as their private sector counterparts.”

U.S. Contribution Rate Comparison



SOURCE: Center for Retirement Research at Boston College, 2008

Ways to Make A Retirement Fund Sustainable

The Government Finance Officer's Association (GFOA) recommends the following practices be avoided to limit the risk of under funding pension plans and imposing burdens on future stakeholders.

ASRS PENSION REPORT CARD		
Practices that could undermine a pension plan's sustainability		
Practice to be Avoided	ASRS Practice	Status
Delaying or Skipping payments	State law requires annual contributions	PASS
Spiking Pension Payouts	ASRS limits methods used to spike payments	PASS
Early Retirements	Retirement eligibility age increased for new members	PASS
No Employee Contributions	Employees pay 50%, currently 9.85% of their pay, which will rise to 10.75% on July 1, 2011.	PASS
Unfunded Cost of Living Adjustments	Adjustments are only paid if there are "Excess Investment Earnings," the last was in 2005 and none are planned	PASS
Unrealistic Investment Assumptions	Investment assumptions are actuarially determined	PASS
Deferred Retirement Option Plan	In FY 2010 this option was eliminated	PASS
Retroactive Benefit Increases	No retroactive increases since FY 2000 when the payment multiplier increased slightly from 2% to 2.1%.	PASS

SOURCE: GFOA Advisory: "Responsible Management and Design Practices for Defined Benefit Pension Plans (2010)," ASRS CAFRs, & Title 38 of the Arizona Revised Statutes

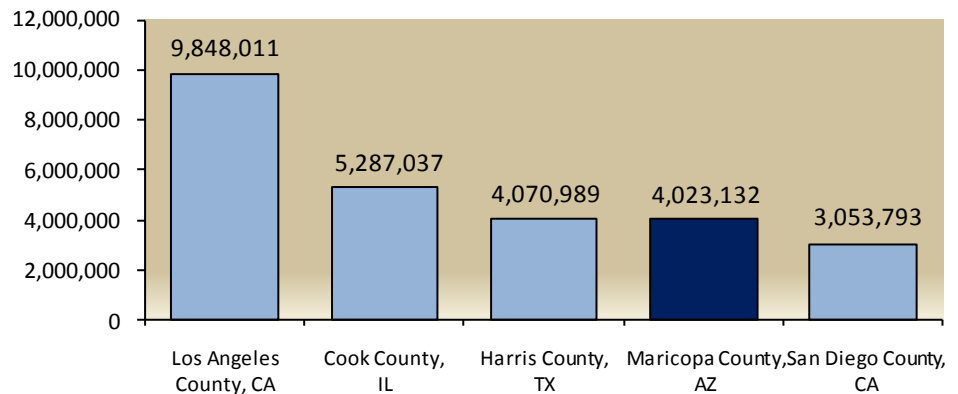


POPULATION & UNEMPLOYMENT

Population

Maricopa County has been ranked the fourth most populous of all 3,143 counties in the nation.

Maricopa County's Population is 4th Largest in Nation

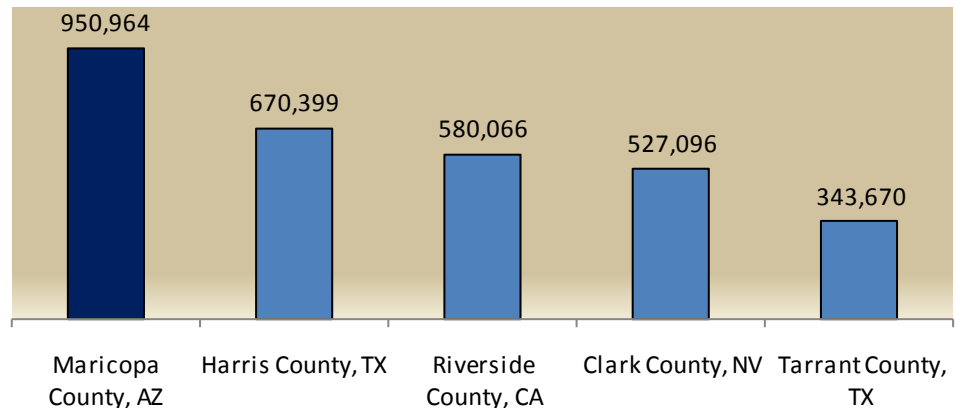


SOURCE: 2009 U.S. Census Bureau Reports (2009 is the most recent report)

Population Growth

In addition to adding nearly 65,000 people from July 2008 to July 2009, Maricopa County gained 950,964 residents from April 2000 to July 2009, more than any other county in the nation.

Maricopa County's Population Growth is Fastest in Nation

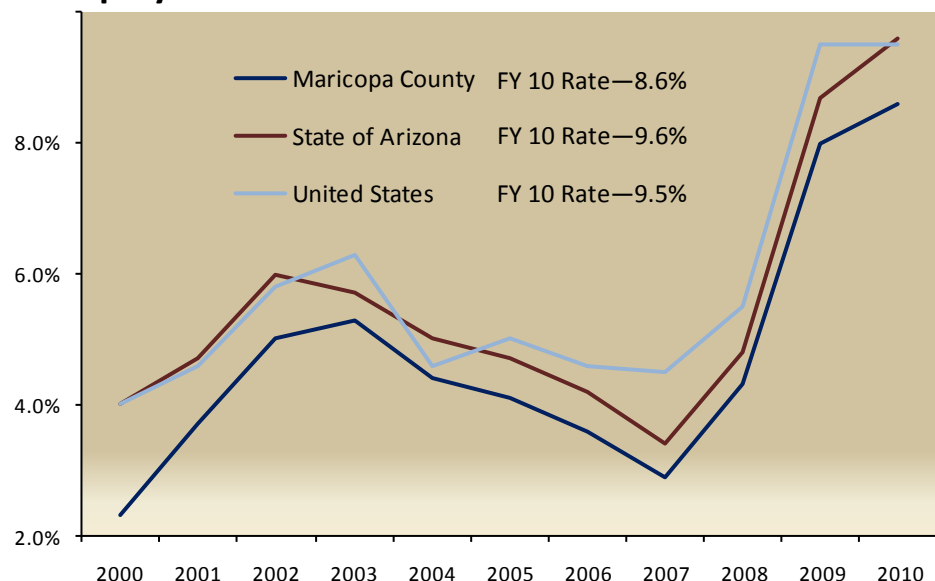


SOURCE: 2009 U.S. Census Bureau Reports

Unemployment

Maricopa County's unemployment rate continues to remain below national and Arizona averages. However, since 2007 the national, Arizona, and Maricopa County unemployment rates have increased significantly. In 2010, Maricopa County's unemployment rate was 8.6%, a significant increase over 2007's rate of 2.9%.

Unemployment Rates Increased



SOURCE: "Demographic & Economic Statistics" (Statistical Section, Maricopa County CAFRs)



METHODOLOGY & SOURCES

Definition

Financial Condition is defined as a local government's ability to finance services on a continuing basis. A county in good financial condition can sustain existing services to the public, withstand economic downturns, and meet the demands of changing service needs.

Objective, Scope, and Methodology

The objective of this report is to evaluate Maricopa County's financial condition using key financial indicators. Indicators were selected from authoritative sources on evaluating governmental entity financial condition, and were judged to be the most indicative of a county's overall financial health.

Our primary information sources were the audited Comprehensive Annual Financial Reports (CAFR) issued by ten national benchmark counties and Maricopa County. Our analysis did not include the Housing Authority a component unit and the non-major governmental funds. Below are the benchmark counties that were used in this report.

National Benchmarks

County	Population	Major Metro Area
➤ Clark	1,902,834	Las Vegas, Nevada
➤ Harris	4,070,989	Houston, Texas
➤ King	1,916,441	Seattle, Washington
➤ Los Angeles	9,848,011	Los Angeles, California
➤ Multnomah	726,855	Portland, Oregon
➤ Orange	3,026,786	Santa Ana/Anaheim, California
➤ Pima	1,020,200	Tucson, Arizona
➤ Salt Lake	1,034,989	Salt Lake City, Utah
➤ San Diego	3,053,793	San Diego, California
➤ Santa Clara	1,784,642	San Jose, California

SOURCE: 2009 U.S. Census Bureau Reports

Other sources include Arizona State Retirement System (ASRS) CAFRs and actuarial reports, the U.S. Census Bureau, Governmental Accounting Standards Board, the International City/County Managers Association, Maricopa County's Strategic Plans (budgetary documents), ASRS investment committee documents, Arizona State Auditor General Reports, and correspondence with internal and external staff.

Trend analysis is used in this report. Trend analysis involves examining historical data. Adjustments for inflation were made according to the "U.S. Consumer Price Index—All Items."

Maricopa County CAFR

Maricopa County's 2010 CAFR and prior year CAFRs are available by visiting the Maricopa County Department of Finance website at: <http://www.maricopa.gov/Finance/CAFR.aspx>.



PAFR AWARD

Outstanding Achievement Award

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Maricopa County for its Popular Annual Financial Report for the fiscal year ended June, 30, 2009. The Award for Outstanding Achievement in Popular Annual Financial reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial reporting requirements, and we are submitting it to GFOA.

Award for Outstanding Achievement in Popular Annual Financial Reporting

PRESENTED TO

**Maricopa County
Arizona**

for the Fiscal Year Ended

June 30, 2009



[Signature]
President
Jeffrey L. Esser
Executive Director



Report Photos

Cover: Mountain butte (top right) taken at Superstition Mountains, Lost Dutchman's State Park. Desert lake (bottom left) taken at Saguaro Lake. Both locations are close to the borders of Maricopa and Gila Counties.

Saguaro sunset (left) taken at Superstition Mountains, Lost Dutchman's State Park.

All landscape photos taken by Marcus Reinkensmeyer.

